



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION II

JACOB K. JAVITS FEDERAL BUILDING
NEW YORK, NEW YORK 10278

JUN 12 1989

Glenn Grant
Corporation Counsel
City of Newark
City Hall, Room 316
920 Broad Street
Newark, N.J. 07102

Re: Arkansas Co. Site:
Memorandum of Agreement

Dear Mr. Grant:

Pursuant to our telephone conversation on April 26, 1989, I am enclosing a final execution copy of the Memorandum of Agreement. The enclosed copy contains all changes we had agreed upon and which were incorporated in my draft of July 19, 1988, as well as the changes to the Memorandum of Agreement requested by the U.S. Department of Justice (DOJ) which I transmitted to you in my letter dated February 28, 1989. In our telephone conversation on April 26, you stated that the changes proposed by DOJ were acceptable to the City, subject to your obtaining final approval from the Mayor's office.

You also stated that, when the City auctions the Site property, the lowest acceptable bid would be the appraised value of the property. I understand an appraisal has not yet been performed but must precede bidding and sale of the property. As we discussed, it is EPA's understanding that the appraised value will represent the fair market value of the property, excluding consideration of any liability for EPA's cleanup costs.

EPA has now completed its removal action, and anticipates no further remedial action at the Site. (Please refer to EPA's letter dated March 21, 1989, signed by Richard Salkie, to Ronald Corcoran of the New Jersey Department of Environmental Protection (NJDEP), on which you were copied, which formally notified NJDEP that EPA's removal action was completed.) Although EPA does not commit to granting a release for liability for past costs to a potential purchaser in the enclosed Agreement, EPA does agree to enter into negotiations with a potential purchaser for appropriate resolution of the purchaser's liability for EPA's past clean-up costs.

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I understand that you intend to copy me on all correspondence and other documentation concerning the proposed sale or auction of the Site property.

As soon as you receive final approval and execution of the enclosed MOA by the Mayor's office, please forward it to me for execution by the Regional Administrator. Once again, your patience and the cooperation of the City of Newark in this matter are appreciated.

Sincerely,

A handwritten signature in dark ink, appearing to read "W.C. Tucker", with a long horizontal flourish extending to the right.

William C. Tucker
Assistant Regional Counsel

encl.